



PROJECT IDENTIFICATION FORM (PIF)¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	Securing Biodiversity Conservation and Sustainable Use in China's Dongting Lake Protected Area		
Country(ies):	China	GEF Project ID:²	4356
GEF Agency(ies):	FAO	GEF Agency Project ID:	608809
Other Executing Partner(s):	Forestry Department of Hunan Province	Submission Date:	September 3, 2010
		Resubmission Date:	October 29, December 7, 2010
GEF Focal Area (s):	Biodiversity	Project Duration (months):	60
Name of parent program (if applicable): ➤ For SFM <input type="checkbox"/>	China Biodiversity Partnership and Framework for Action	Agency Fee:	295,000

A. FOCAL AREA STRATEGY FRAMEWORK³:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Indicative Financing from Relevant TF (GEF, LDCF, SCCF)	Indicative Co-Financing ^a
			(\$) ^a	(\$) ^b
1. BD-1	Outcome 1.1: Improved management effectiveness of existing and new protected areas; Outcome 1.2: Increase revenue for protected area systems to meet total expenditures required for management.	Output 1.1 222,000 ha of the existing four PAs would be affected by improved management; Output 1.3 Four sustainable financing plans developed, one per NR with possible upscaling to national scale depending on nature and success of pilot results	2,045,350	5,322,100
2. BD-2	Outcome 2.1 Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation; Outcome 2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks.	Output 2.1: Four policies and regulatory frameworks promoting "mainstreaming" of biodiversity principles for at minimum five production sectors; Output 2.2: One regional strategy that promotes sustainable use of Dongting Wetlands and incorporate biodiversity conservation principles and ecosystem services valuation.	624,650	294,300
5. Project management cost ⁴			280,000	588,600
Total project costs			2,950,000	6,205,000

¹ It is very important to consult the PIF preparation guidelines when completing this template.

² Project ID number will be assigned by GEFSEC.

³ Refer to the reference attached on the Focal Area Results Framework when filling up the table in item A.

⁴ GEF will finance management cost that is solely linked to GEF financing of the project.

B. PROJECT FRAMEWORK

Project Objective: The goal of the proposed project is to secure the conservation of biodiversity of global importance in the Dongting Lake through strengthening existing management efforts and the promotion of the Wetland's long-term sustainable development. Specifically, the project objectives are to: (i) strengthen the existing institutional and policy framework; (ii) strengthen the existing network of wetland nature reserves; (iii) promote an integrated, ecosystem-wide planning and management approach; (iv) identify and demonstrate sustainable and/or alternative livelihoods designed to reduce human pressure on the Wetlands; and (v) increase institutional capacity and public awareness and support for wetlands conservation.					
Project Component ⁵	Grant Type (TA/INV)	Expected Outcomes	Expected Outputs	Financing from Relevant TF (GEF, LDCF, SCCF)	Indicative Co-Financing ^a
				(\$) ^a	(\$) ^b
1. 1. Policy, Planning and Institutional Arrangements	TA	Institutional arrangements, policies and processes established to support the integrated management and conservation of the Dongting Wetlands Ecosystem.	i) development and adoption of a long-term integrated Dongting wetlands management plan; (ii) creation of legal instruments for the four NRs; (iii) strengthening and operationalizing the provincial wetlands coordination committee; and (iv) policy tools for mainstreaming biodiversity in sectors developed (e.g., ecological compensation fund)	288,300	98,080
2. NR Management	INV	Increased conservation of biodiversity of global importance achieved by the strengthening of the Dongting Lake Nature Reserves, promoting financial sustainability and reduction of human impacts.	(i) development and implementation of NR management plans; (ii) NR infrastructure/ equipment; (iii) staff training; (iv) development and application of pilot financial sustainability instruments; (v) establishment of co-management mechanisms involving local communities in NR management; (vi) development of lake wide biodiversity GIS data base; (vii) increase in total bird visitation by 50,000 in the four Dongting NRs; (viii) stabilization of the populations of three endangered species (lesser white-fronted goose, swan goose and finless porpoise); and (ix) increase in the populations of two deer species Pere David's and Chinese Water deer above existing baselines to 120 and 90 head respectively.	1,274,600	1,962,080
3. Threat Analysis, Mitigation and Monitoring	INV	Improved environmental "health" of the Dongting Wetlands Ecosystem.	(i) analysis, development and implementation of mitigation action plans to address priority threats (e.g., non-sustainable fishing practices) to the Dongting Wetlands Ecosystem; (ii) restoration of wetlands that have been previously lost due to the establishment of poplar tree plantations (5 % of the total Dongting Lake area or 20,000 ha); (iii) reduction of pollution and its resulting impacts on biodiversity through the closure of 50 small paper mills along the Dongting Lake; (iv)	434,400	3,163,800

			support for sustainable / alternative livelihoods for 1,500 fishers; and (v) establishment of an ecosystem “health” monitoring program		
4.Capacity Building and Environmental Education and Awareness	TA	Increased institutional capacity and public and political support for management and conservation of the Dongting Wetlands Ecosystem	(i) workshops; (ii) decision-makers and participants from productive sectors trained; (iii) cross-site visits; (iv) development and implementation of a public awareness plan; (v) equipment/ materials to support plan implementation; and (vi) development of education curricula.	480,500	294,360
5b,c M & E and Information Dissemination	TA	Increased receptivity and adoption of Dongting Wetlands approach to “mainstreaming” biodiversity conservation in sector planning both in China and elsewhere	(i) M&E plan; (ii) project progress reports; (iii) mid-term review and final evaluation reports; (iv) publications; and (v) project homepage	192,200	98,080
Project management Cost				280,000	588,600
Total project costs*				2,950,000	6,205,000

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$)

Sources of Co-financing for baseline project	Name of Co-financier	Type of Co-financing	Amount (\$)
Local Government	Forestry Department of Hunan Province	Grant	4,411,755
Local Government	Forestry Department of Hunan Province	In-kind	1,470,585
GEF Agency	FAO	Grant	24,000
GEF Agency	FAO	In-kind	298,660
Total Co-financing			6,205,000

D. GEF RESOURCES REQUESTED BY AGENCY (IES), FOCAL AREA(S) AND COUNTRY(IES)¹

GEF Agency	Type of Trust Funds	Focal Area	Country Name/ Global	(in \$)		
				Project amount (a)	Agency Fee (b) ²	Total c=a+b
FAO	GEF TF	Biodiversity	China	2,950,000	295,000	3,245,000
Total GEF Resources						

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table

² Please indicate fees related to this project as well as PPGs for which no Agency fee has been requested already.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. THE GEF FOCAL AREA STRATEGIES: The proposed project is consistent with FA Objective 1 of the GEF-5 Biodiversity Results Framework. In particular, the project will contribute to the achievement of Outcome 1.1 through strengthening the existing institutional and policy framework to support the integrated management of the Dongting Wetlands Ecosystem (DWE) and increasing management capacity in the four Dongting NRs and promoting integrated planning and management of the DWE. The project will also support Outcome 1.2 through the piloting of innovative financial sustainability mechanisms at the NR level. These will likely include but not necessarily be limited to PES, eco-certification schemes, establishment of an ecological fund, promotion of ecotourism and/or fee splitting associated with permits issued by other sectors that administer the Wetlands “goods and services.” Results from these innovative pilot activities will be upscaled to the national level (see below). The proposed project is also consistent with FA Objective 2. In particular, the proposed project will support Outcomes 2.1 and 2.2 through strengthening the provincial and NR wetlands coordination committees and the promotion of increased capacity in and awareness of the importance of conservation of the Wetlands in other sectors. This will be complemented by the creation of legal instruments for the four NRs and support for policy studies under component

1. The results from these pilot activities will be scaled up to relevant NRs in the national system using East Dongting's Lake status as a national pilot NR.

A.1.2. FOR PROJECTS FUNDED FROM LDCF/SCCF: THE LDCF/SCCF ELIGIBILITY CRITERIA AND PRIORITIES: Not applicable

A.2 NATIONAL STRATEGIES AND PLANS OR REPORTS AND ASSESSMENTS UNDER RELEVANT CONVENTIONS, IF APPLICABLE, I.E. NAPAS, NBSAPs, NATIONAL COMMUNICATIONS, TNAS, NIPS, PRSPs, NPFE, ETC.:
The Dongting Lake Reserve was listed among the 16 wetland areas of international importance in China's National Biodiversity Strategy and Action Plan (NBSAP) which was approved in May 1994. There has been no amendment to the NBSAP since then. The proposed project is also in direct conformity with the China Biodiversity Partnership and Framework for Action (CBPF) 2007-2017, China's principal investment strategy for biodiversity conservation developed to facilitate dialogue with GEF and other financing agencies. Under this Framework, the Project will directly support three of the five priority themes identified under the Framework. These are: (i) Improving Biodiversity Governance (Theme 1); (ii) Mainstreaming Biodiversity into Socio-Economic Sectors and Plans and Investment Decision-Making (Theme 2); and (iii) Investing Effectively in Reducing Biodiversity loss in Protected Areas (Theme 3). More specifically, it will support the following results identified in the CBPF: (i) financial flows to biodiversity conservation increase over current baseline (Result 4); (ii) the general public is supportive of conserving biodiversity (5); (iii) biodiversity conservation and sustainable use is mainstreamed into local plans (12); (iv) national nature reserves (NNR) and provincial nature reserves (PNRs) are effectively managed (18); (v) NNRs and PNRs have stable and sufficient finance (19) and (vi) at NNRs and PNRs, local communities, NGOs and/or the private sector are involved in PA co-management and development (20). Moreover, the project is in conformity with China's National Wetland Conservation Program (2002-2030), which was adopted in 2003 by the State Council in which the Dongting Lake was listed as a priority area. The Project is also in full conformity with the national wetland strategy mandated by Circular # 50 of the State Council of 2004 in which the policy on wetland conservation includes strengthened wetland management, changes in legislation, policy and funding mechanisms, and a wetland conservation management system that is mainstreamed across sectors have been clearly stipulated.

B. PROJECT OVERVIEW:

B.1. DESCRIBE THE BASELINE PROJECT AND THE PROBLEM THAT IT SEEKS TO ADDRESS:

The Dongting Wetlands Ecosystem (DWE) is China's second largest freshwater lake (2 625 km²). Situated entirely within Hunan Province in proximity to the Yangtze River, Dongting Lake was classified by World Wildlife Fund (WWF) as one of the 200 global key eco-zones. The Wetlands represent an important staging, wintering, and feeding site for the North-East Asian Flyway. One hundred and twenty species of the birds known to winter in the Wetlands are included in the China-Japan and China-Australia bilateral agreements on migratory bird conservation. Another indicator of its importance in terms of its biodiversity is an estimated 20% of the remaining population of the rare and endangered Yangtze Finless Porpoise (*Neophocaena phocaenoides*) reside in the Wetlands. More generally, indigenous biodiversity is substantial with large and varied population of fish, amphibians and aquatic vegetation.

The Wetlands are divided into three administrative areas (municipalities) containing four nature reserves (NR), one of which is a national NR and three remaining designated provincial NRs. Three of the four NRs have been declared international Ramsar sites. The DWE plays a huge socio-economic role in the both the immediate area and well beyond (in the case of fishers that fish its waters this has been documented to extend to as many as eight non-adjacent counties. Major economic sectors that depend on one or more environmental "goods and services" provided by the ecosystem include tourism, commercial transport, sand mining and aquaculture. A significant percentage of the economies of the many adjacent villages and townships are derived either directly or indirectly from the Wetlands. Similarly, the DWE supports a large and diverse number of livelihoods particularly among some of the poorest segments of the population. These include fishers and reed and poplar tree farmers. The lake is managed by a wide range of government agencies including the Forestry Department, the Fisheries Bureau, the Water Resource Department, the Reed Management Authority, the Dongting Lake Conservation Commission (DLCC) and four NR Management Bureaus.

Despite the significance of the highly diverse and productive biodiversity of the Wetlands, the globally important ecosystem is increasingly at risk. Loss of habitat arising from sector conflicts and economic interests of local farmers and fishers has resulted in a decline in numbers of populations and in some cases entire species in the Wetlands (e.g., some formerly common water birds, especially the swan goose *Anser cygnoides* and coot *Fulica atra* have shown a marked decline and the River Dolphin *Lipotes vexillifer* has disappeared altogether). Main threats include: (i) pollution from point and non-point (especially agriculture); (ii) non-sustainable fishing practices; (iii) sand mining; (iv) planting of monoculture plantations (poplar) for timber and pulp; and in the past, (v) conversion of wetland area for flood control and agricultural production.

The NR administrative bureaus have primary responsibility to manage the Wetlands' four nature reserves but lack the authority and budget to secure biodiversity conservation. Relative to the magnitude and complexity of the problems faced by the Wetlands, NR staff are few and lack technical skills. Like many of China's NRs, core budgets are insufficient to

support the needed operations to ensure the conservation of the Wetlands. Moreover, the conservation mandate of the NR administration and regulations is in near constant conflict with development priorities of other sectors. Management of the Wetlands and use of its natural resources and other “environmental “goods and services” is fragmented across a number of economic sectors (e.g., fisheries, forestry and water resources) and legal jurisdictions (e.g., municipalities and counties) including in the core zones of NRs and in many cases are in direct conflict with provincial wetland regulations.

Despite these challenges a number of significant achievements have been secured in recent years. Hunan Province proclaimed a provincial wetlands regulation in 2005 and in 2007 developed a draft framework lake management plan. This was followed by the creation of the Dongting Lake Conservation Commission (DLCC) on 22 June 2007. The Chairman of the DLCC is the Vice Provincial Governor and members include Deputy Director Generals of the Legislation Office of the provincial government, Provincial Finance Department, Development and Reform Commission, Water Resource Department, Agriculture Department, Forestry Department, Land Resources Department and Environmental Protection Department. These achievements now need to be consolidated and built on. For example, the existing provincial regulation must now be applied specifically to each of the NRs to legally empower them to better conserve biodiversity. Similarly, the framework plan does not contain any of the detailed implementation measures required to support integrated and comprehensive planning and management that, in the Chinese context, remains poorly understood and requires substantial capacity development. The DLCC while legally recognized is not yet functional. Moreover, the DLCC must be complemented by the strengthening of existing and in their absence, the creation of new coordinating committees at the municipal level where many of the decisions that affect the Wetlands occur. Sustainable financing of the NRs and conservation of the Wetland’s biodiversity generally has yet to be seriously addressed by government.

Some of the aforementioned achievements were supported through recent projects that contribute in part to the proposed project baseline. These include the Sino-Norwegian Dongting Lake project (2006-2007) and the UNDP/GEF “Wetland Biodiversity Conservation and Sustainable Use in China” project (completed in June 2009). The former had as specific objectives the raising of inter-sectoral awareness (mainstreaming) through international study tours and local capacity building. The latter project was a 5 year national project totaling US \$ 34.6 million (M) in funding of which GEF provided US \$ 11.7 M. The project carried out activities at the national level and in four internationally important wetland sites in five provinces that included one of Dongting’s four NRs. Project design emphasized different thematic areas in each project site. In the case of Dongting the focus was on building capacity in biodiversity monitoring and database development and in mainstreaming biodiversity considerations across sectors to build awareness and lay the foundation for future changes in management approaches to PA protection. At the Dongting pilot site, the terminal evaluation mission identified the following outputs and the completion of the project: (i) a wetland biodiversity monitoring program and operation had been initiated, (ii) the creation of a map-based Dongting Wetlands Information Systems, (iii) examples of the resolution of selected issues affecting the conservation of biodiversity in the wetlands through improved inter-sector coordination as demonstrated through the introduction of a closed management regime in the core zone and (iv) training of fishermen to collect basic ecological information.

In addition to the aforementioned projects, during the 12th Five-Year Plan period (2011-2015) which will coincide with the proposed project implementation period, several major initiatives have also been identified that support the objective of improving the ecological “health” of the Dongting Lake Ecosystem. These include but are not limited to the following: (i) the Public Ecological Forest Compensation Programme which has been under implementation since 2004, has the objective to protect and improve the forest ecosystems with important ecological functions in China. In the 12th Five Year period, more than RMB 246 million will be provided to owners of public ecological forests in the upper reaches of Dongting Lake in Hunan Province alone. This will help reduce soil erosion and resulting rates of lake siltation; (ii) the Wetland Service Compensation Scheme which was launched in China in early 2010 covers Dongting’s two Ramsar sites (East and South Dongting Lakes). In the 12th Five Year Plan period an estimated RMB 11 million has been allocated by central government to support the management and improvement of wetland ecosystems in the Dongting Lake and expanding the wetland service compensation scheme to cover the remaining portions of Dongting Lake; and (iii) the National Wetland Conservation Programme which will start in 2011 covers nearly all aspects of wetland protection, including wetland management, restoration, monitoring and species protection. The total budget for this Programme has yet to be finalized (to be decided in March 2011), however it is estimated the amount allocated to Dongting Lake will be approximately RMB 52 million. Specific activities from these and other on-going and future initiatives will be identified, analyzed and where relevant support the development of a detailed project baseline during project preparation.

The proposed project seeks to build on and consolidate and strengthen the past, present and proposed future activities supported by the Hunan provincial government and promote additional measures that will lead to the long-term sustainable development and conservation of the Dongting Wetlands Ecosystem.

B. 2. INCREMENTAL REASONING: DESCRIBE THE INCREMENTAL ACTIVITIES REQUESTED FOR GEF FINANCING AND THE ASSOCIATED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED BY THE PROJECT: Building on past efforts, the Hunan Provincial Government will be committing a substantial amount of resources in the forthcoming 12th provincial development five year programme to support the Dongting Wetlands. Much

of these resources will be allocated for basic NR equipment and infrastructure, salaries and operational costs, up-scaling proven project supported activities primarily addressing the financial sustainability of NRs and the mitigation of threats to biodiversity through provision of alternative and/or sustainable livelihoods to local stakeholders. The basic justification for the use of GEF resources is to support the continued development of an enabling environment (policy, planning, legislation, local capacity and public support) complemented by pilot activities that target critical constraints impeding the improved management of the Wetlands (financial sustainability, provision of economic alternatives to the local communities) and threats (e.g., over-fishing) to ensure these substantial provincial resources are used in an effective way and yield substantial results within the life of the project.

To that end, the GEF Alternative would build on the baseline scenario by financing the incremental costs associated with: (i) developing a long-term integrated biodiversity conservation strategy for the Dongting Wetlands; (ii) strengthening the existing Provincial Wetlands Coordination Committee to play a more effective role in mitigating inter-sectoral conflicts adversely affecting the Wetlands; (iii) formulating regulations that complement existing legislation (Wetland Protection Regulation of Hunan Province) to empower Reserve administrations to manage their respective NRs; (iv) developing and implementing of NR management plans that incorporate existing “best practices” including specific measures that address financial sustainability and co-management; (v) increasing institutional NR administrative in basic principles of protected area management and biodiversity conservation; (vi) implementing of mitigation measures designed to address one or more threats to the DWE; and (vii) increasing of public awareness of the significance of biodiversity and its conservation and the significance of the Wetlands in achieving this objective. Projected global environmental benefits (GEB) to be achieved through this approach include: (i) conservation of biodiversity and (ii) partial restoration of ecosystem integrity and recovery of its underlying functions and services. These proposed activities would build on the UNDP/GEF Wetlands Project that created the acceptance of the need for improved management systems. The results achieved by UNDP/GEF project, such as raised capacity of wetland management agencies, biodiversity monitoring programme, improved public awareness of wetland conservation and strengthened policy/institutional framework created within Hunan provincial and local government an understanding of the need for greatly improved management systems in Dongting NRs. This, together with the baseline information and inter-sectoral awareness of biodiversity conservation that developed under the project laid the foundation on which significant gains can now be made to implement improved and financially sustainable management systems that will be consistent with provincial objectives and that will afford much greater protection for PAs.

Based on the proposed activities the following quantitative outcomes are proposed (to be confirmed during project preparation) to assess biodiversity conservation: (i) an increase in total bird visitation by 50 000 (i.e., an increase from 100 000 to 150 000); (ii) an increase in total number of species from the existing 150 species to 250 species; (iii) stabilization of the populations of the following endangered species: lesser white-fronted goose (*Anser erythropus*), swan goose (*Anser cygnoides*), coot (*Fulica atra*) and finless porpoise (*Neophocaena phocaenoides*); and (iv) an increase in the populations of the two deer species Pere David’s deer (*Elaphurus davidianus*) and Chinese Water deer (*Hydropotes inermis*) above existing baselines to 120 and 90 head respectively through efforts to reduce poaching, habitat loss and support for inter-breeding among the small populations existing in Dongting Lake. The partial restoration of ecosystem integrity and recovery of its underlying functions (ecosystem “health” would be achieved through achieving the following: (i) restoration of wetlands that have been previously lost due to the establishment of poplar tree plantations (5% of the total Dongting Lake area or 20,000 ha); (ii) the reduction of pollution and its resulting impacts on biodiversity through the closure of 50 small paper mills along the Dongting Lake; and (iii) provision of alternative livelihoods, shelters on land and other incentives designed to reduce the use of non-sustainable fishing practices among 1,500 fishers in the next 5 years. Finally, in addition to the aforementioned GEBs, the proposed FSP is expected to: (i) provide experiences and “lessons-learned” that could prove to be catalytic in launching similar approaches in other national wetlands in both China and elsewhere in Asia; and (ii) provide information useful to promote the regulation and provision of ecosystem services (i.e., biodiversity in project-supported NRs).

B.2.2. FOR PROJECTS FUNDED FROM LDCF/SCCF: ADDITIONAL COST REASONING: DESCRIBE THE ADDITIONAL ACTIVITIES REQUESTED FOR LDCF/SCCF FINANCING AND THE ASSOCIATED ADAPTATION BENEFITS, TO BE DELIVERED BY THE PROJECT: NOT APPLICABLE

B.3. DESCRIBE THE SOCIOECONOMIC BENEFITS TO BE DELIVERED BY THE PROJECT AT THE NATIONAL AND LOCAL LEVELS, INCLUDING CONSIDERATION OF GENDER DIMENSIONS, AND HOW THESE WILL SUPPORT THE ACHIEVEMENT OF GLOBAL ENVIRONMENT BENEFITS(GEF TRUST FUND) OR ADAPTATION BENEFITS (LDCF/SCCF). AS A BACKGROUND INFORMATION, READ [MAINSTREAMING GENDER AT THE GEF.](#)”: China’s population and its demographics require priority consideration in most projects including those with objectives to achieve improved conservation of biodiversity of global importance. In the proposed project the generation and allocation of relevant socio-economic benefits to the local population living in proximity to the proposed project area will be facilitated through: (i) promotion of community participation in co-management fora created in each of the NRs (component 2); (ii) support provided through significant levels of counterpart financing promoting alternative and /or sustainable livelihoods designed to provide improved life quality over existing extractive practices based on a declining/degraded natural resource base; and (iii) increased education opportunities. Reduced dependence on extractive

livelihoods is expected to significantly lessen pressure on the ecosystem and impacts on local biodiversity and supports project goals and objectives and the accompanying GEBs. Gender considerations will be taken into account in both the creation of co-management committees and in participation in pilot alternative/sustainable livelihood activities as part of a priori participatory rural appraisals in selected communities living in proximity to the four NRs. These proposed benefits will be specifically addressed in project design through the contracting of a socio-economic study (see PPG proposal) building on earlier relevant information compiled by baseline projects, where relevant.

B.4 INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS THAT MIGHT PREVENT THE PROJECT OBJECTIVES FROM BEING ACHIEVED, AND IF POSSIBLE, PROPOSE MITIGATION MEASURES THAT WILL BE FURTHER DEVELOPED DURING THE PROJECT DESIGN:

Risk type	Risk level	Mitigation measure
Project Coordination	Medium	Close and collaborative cooperation between the many institutional stakeholders with vested interest in the Dongting Wetlands, both from the public and private sector, will be essential for the project to achieve its stated goal and objectives. In the preparation of the PIF, recent consultations at the national (Ministry of Finance), provincial (Departments of Finance and Forestry) and local (municipal) levels indicated there was widespread political and financial support for the proposed project. Sufficient resources in project preparation will be provided to support the needed public consultation and participation to broaden the existing political support for the project to the community at large. During implementation, one of the main priority actions to be supported under the Project will be to promote increased inter-institutional coordination through putting in operation the existing Dongting Lake Conservation Commission (DLCC). At the level of the NR, the proposed project will strengthen the existing (or create new) inter-institutional coordinating committees. Finally, the Project will support the incorporation of co-management principles and procedures in each of the NRs administrative frameworks to facilitate public participation in NR management.
Slow Uptake of Policy Recommendations	Medium	This risk is associated with the degree to which policy studies and recommendations in support of the sustainable management of the Dongting Wetlands generally and principles of biodiversity conservation specifically can be “mainstreamed” into municipal and county sectoral policy frameworks. This risk has been partly mitigated by a recent shift in national government priorities beginning in 2007 placing greater emphasis on environmental quality. More specifically, this risk will be addressed in project design through (i) supporting relevant policy reforms during the process of development of the 13th provincial and municipal development plans; (ii) providing support to make the DLCC more effective together with increasing capacity in line agencies; and (iii) promoting a number of awareness raising activities in support of relevant policy reforms directed at both key decision makers as well as the public at large and may include site visits to areas where policy related studies and related activities are being supported. As a monitoring measure the project will integrate tracking tools (in its M&E system) with well defined triggers to ensure a timely integration of policy reforms into municipal/county policy frameworks.
Climatic change	Low	The middle Yangtze River Basin, which encompasses the Dongting Lake region, is subject to extreme climate events (primarily precipitation and droughts), which appear to have increased in both intensity and frequency in recent years. These events are projected to continue or increase under most future climate change scenarios and will likely adversely impact the DWE and component habitats and biodiversity that it supports as well as the livelihoods of community who depend on its resources. By strengthening management and improving the environmental “health” of the Wetlands, the project will help build the ecosystem’s resilience to climate change. Providing support to local communities through sustainable/alternative livelihoods will enable them to better cope with climate change impacts. Furthermore, the proposed project will forge linkages and synergies with ongoing climate change adaptation activities and contribute to the knowledge base through its information dissemination and public awareness activities.

B.5. IDENTIFY KEY STAKEHOLDERS INVOLVED IN THE PROJECT INCLUDING THE PRIVATE SECTOR, NGOS, CIVIL SOCIETY ORGANIZATIONS, AND THEIR RESPECTIVE ROLES, AS APPLICABLE:

The project will work closely with a wide range of stakeholders including provincial and local government agencies, universities, research institutions, civil society organizations, private businesses, local communities and residents living in or around the Dongting Lake. The Hunan Provincial Forestry will be the main partner for project implementation and will work in close cooperation with other provincial departments e.g. the Finance Department, Development and Reform Commission, Environmental Protection Department, Water Resources Department, Agricultural Department and tourism department. The governments of three municipalities i.e. Yueyang, Yiyang and Changde, and their subordinated

departments, will be the main partner for project implementation at municipal level. Four Nature Reserves in Dongting Lake will undertake specific activities under this project. The project will be launched by a well-publicized multi-stakeholder inception workshop. This workshop will provide an opportunity to provide all stakeholders with updated information on the project as well as a basis for further consultation during the project's implementation, and will refine and confirm the work plan. Partnerships will be developed in the fisherman communities and private sectors. In addition, certain project activities will be specifically designed to directly involve stakeholders in project implementation.

B.6. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The close complementarity of the proposed project with the China Biodiversity Partnership and Framework for Action (2007 – 2017) has been described previously under Block A.2, above. As the GEF Agency for the proposed project, FAO is expected to become an active member of the partnership. The World Bank/GEF supported "China's Sustainable Forest Development Project, Protected Areas Management Component" includes two national forest nature reserves in the upper-reaches of the Dongting Lake Basin. The relevant experiences and "lessons learned" from the relevant component which is due to be completed in 31 August, 2010 (e.g., participatory approaches to PA management), will be taken into account during the preparation of the project and will include a review of relevant project experiences and meetings with NR administrative staff. In an important and relevant national initiative beginning in 2006, the State Forestry Administration (SFA) launched a protected area (PA) strengthening program covering China's some 1,800 PAs. The approach provides financial incentives for candidate PAs to meet a series of criteria to qualify for designation as "pilot" demonstrating "best practices." Some 51 PAs have been selected including the DWE's East Dongting Lake NR. This will provide an important vehicle to disseminate the results of project supported activities (e.g., sustainable financing, co-management etc.) to other PAs in the country. The World Wildlife Fund (WWF) China has a limited but ongoing program with Hunan Province in support of integrated river basin management (IRBM) in the middle and lower Yangtze ("Partnership for a Living Yangtze") that has led to an agreement in principle with the provincial government to adopt an IRBM approach. This has yet to be fully implemented but will form the basis for a new management approach that the proposed Project will complement. The magnitude and complexity of the Yangtze River Basin precludes adopting an IRBM approach in the management of the Dongting Wetlands for the foreseeable future. Nevertheless, this does not undermine the value of such an approach. Close collaboration with the WWF initiative during the life of the two initiatives will provide a highly useful opportunity to begin to introduce the management approach to the Dongting Wetlands "upstream-downstream" issues associated with the Wetlands that only an IRBM approach can address. Coordination with WWF will be ensured through their participation in relevant institutional bodies.

C. DESCRIBE YOUR AGENCY'S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

The proposed project will benefit from FAO's extensive work on conservation and management of natural resources (primarily forestry and fisheries resources) within the ecosystem context. Specifically in the case of China, FAO has a long record of cooperation with the Chinese government in natural resources management; programs and projects that include biodiversity conservation, forestry, fisheries conservation agriculture, integrated pest management and promoting sustainable aquaculture. The latest example contributing to this record is the on-going provision of technical assistance to support the Sustainable Management of Freshwater Aquaculture in Pingjiang County (Hunan Province) Project; a riparian county bordering Dongting Lake. Among other issues this project, supported through FAO's Technical Cooperation Programme, is evaluating and promoting the development of improved technologies designed to reduce environmental impacts of freshwater aquaculture in the County and through upscaling, eventually the Lake; an input directly relevant to the proposed project. In addition to these activities, FAO's Investment Center has supported a number of preparation and supervision missions of biodiversity conservation projects in China (primarily for GEF). Examples include: (i) the Protected Area's Management Component of the National Sustainable Forestry Development Project (2002) and (ii) Guangxi Integrated Forestry Development and Conservation Project (2006), both with the World Bank as Implementing Agency through the FAO-WB Cooperative Programme; and (iii) An IEM Approach to the Conservation of Biodiversity in Dryland Ecosystems (2008) with IFAD as GEF's Executing Agency through FAO's Investment Support Programme. Moreover, FAO is presently participating as the designated GEF Executing Agency with China's State Ocean's Agency (SOA) in the on-going preparation of the Demonstration of Estuarine Biodiversity Conservation and Restoration and Protected Areas Network Project in collaboration with the Bureaus' of Ocean and Fisheries of Shandong and Guangdong Provinces. Finally, given the Organization's administrative and financial support for project concepts through the provision of national TCP grants, there is a unique opportunity to replicate the proposed project approach to other FAO supported initiatives both in China and elsewhere.

C.1 INDICATE THE CO-FINANCING AMOUNT YOUR AGENCY IS BRINGING TO THE PROJECT:

FAO will provide the following in co-financing: USD 25,000 (grant) and USD 300,000 (in-kind).

C.2 HOW DOES THE PROJECT FIT INTO YOUR OWN AGENCY'S PROGRAM (REFLECTED IN DOCUMENTS SUCH AS UNDAF, CAS, ETC.) AND YOUR STAFF CAPACITY IN THE COUNTRY TO FOLLOW UP PROJECT IMPLEMENTATION:

FAO has worked with other UN agencies in China in developing the UNDAF for 2011-2015. One of the outcomes to be achieved is to strengthen the policy and implementation mechanisms to manage natural resources. FAO, together with other UN agencies in China, will implement programmes to strengthen government capacity to effectively manage land

and water resources, enhance government capacity to conserve biodiversity and ecosystems, empower communities to increasingly benefit from the development of eco-based livelihood resources and strengthen government capacity to develop and implement policies that ensure compliance with environmental health and safety requirements. With respect to in-country capacity, the FAO Office in Beijing has 6 professionals out of a total staff complement of 20. The project office was established in 1983 and has been directly involved in supporting the implementation of an estimated 150 projects since that time. Professional staff are backed up by technical support provided through FAO's Regional Office located in Bangkok as well as Headquarter based staff located in Rome. Project relevant divisions and departments include FAO's Land and Water Division (NRLW) and Forestry and Fisheries Departments. During GEF 4, FAO China has increased its involvement with GEF particularly with respect to biodiversity projects and has established good working relationships with the Chinese government at the national and provincial levels. The FAO Office in China has assigned programme staff for GEF projects including the preparation and implementation of the current one. Expertise will be mobilized both from the Organization itself as well as from the other sources (government institutions and international experts as necessary)..

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the [country endorsement letter\(s\)](#) or [regional endorsement letter\(s\)](#) with this template).

NAME	POSITION	MINISTRY	DATE (Month, day, year)
Ms. Jiandi Ye	Deputy Director, IFI Division III, International Department	Ministry of Finance	SEPTEMBER 2, 2010

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for project identification and preparation.					
Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Charles Riemenschneider Director, Investment Centre Division Technical Cooperation Department FAO Viale delle Terme di Caracalla 00153, Rome, Italy		December 7, 2010	Random DuBois Senior Environment Adviser FAO Investment Centre Division FAO Rome, ITALY	+3906 5705 5409	Random.Dubois @fao.org
Barbara Cooney FAO GEF Coordinator Email: Barbara.Cooney@fao.org Tel: +3906 5705 5478					